



Shanghai Consulate News for Americans

Issue 37

February, 2011

This newsletter is published by the American Citizen Services (ACS) Unit, U.S. Consulate General in Shanghai. If there are any particular topics you are interested in, please contact ACS at: ShanghaiACS@state.gov.

Second Special Voluntary Disclosure Initiative Opens; Those Hiding Assets Offshore Face Aug. 31 deadline

IR-2011-14, Feb. 8, 2011

WASHINGTON — The Internal Revenue Service announced today a special voluntary disclosure initiative designed to bring offshore money back into the U.S. tax system and help people with undisclosed income from hidden offshore accounts get current with their taxes. The new voluntary disclosure initiative will be available through Aug. 31, 2011.

"As we continue to amass more information and pursue more people internationally, the risk to individuals hiding assets offshore is increasing," said IRS Commissioner Doug Shulman. "This new effort gives those hiding money in foreign accounts a tough, fair way to resolve their tax problems once and for all. And it gives people a chance to come in before we find them."

The IRS decision to open a second special disclosure initiative follows continuing interest from taxpayers with foreign accounts. The first special voluntary disclosure program closed with 15,000 voluntary disclosures on Oct. 15, 2009. Since that time, more than 3,000 taxpayers have come forward to the IRS with bank accounts from around the world. These taxpayers will also be eligible to take advantage of the special provisions of the new initiative.

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"As I've said all along, the goal is to get people back into the U.S. tax system," Shulman said. "Combating international tax evasion is a top priority for the IRS. We have additional cases and banks under review. The situation will just get worse in the months ahead for those hiding assets and income offshore. This new disclosure initiative is the last, best chance for people to get back into the system."

The new initiative announced today -- called the 2011 Offshore Voluntary Disclosure Initiative (OVDI) -- includes several changes from the 2009 Offshore Voluntary Disclosure Program (OVDP). The overall penalty structure for 2011 is higher, meaning that people who did not come in through the 2009 voluntary disclosure program will not be rewarded for waiting. However, the 2011 initiative does add new features.

For the 2011 initiative, there is a new penalty framework that requires individuals to pay a penalty of 25 percent of the amount in the foreign bank accounts in the year with the highest aggregate account balance.

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Special points of interest:

- * Diversity Visa Program Scams
- * FVAP Now Accepting Entries for Poster and Slogan Contest
- * Upcoming IRS Tax Workshop, March 2-3

American Citizen Visa Hour Changed

Please note that the American Citizen Visa Hour has been changed. It will now go from 4:00 to 4:45pm on Tuesday afternoons starting February 8th, 2011.

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ance covering the 2003 to 2010 time period. Some taxpayers will be eligible for 5 or 12.5 percent penalties. Participants also must pay back-taxes and interest for up to eight years as well as paying accuracy-related and/or delinquency penalties.

Taxpayers participating in the new initiative must file all original and amended tax returns and include payment for taxes, interest and accuracy-related penalties by the Aug. 31 deadline.

The IRS is also making other modifications to the 2011 disclosure initiative.

Participants face a 25 percent penalty, but taxpayers in limited situations can qualify for a 5 percent penalty.

The IRS also created a new penalty category of 12.5 percent for treating smaller offshore accounts. People whose offshore accounts or assets did not surpass \$75,000 in any calendar year covered by the 2011 initiative will qualify for this

lower rate.

The 2011 initiative offers clear benefits to encourage taxpayers to come in now rather than risk IRS detection. Taxpayers hiding assets offshore who do not come forward will face far higher penalty scenarios as well as the possibility of criminal prosecution.

"This is a fair offer for people with offshore accounts who want to get right with the nation's taxpayers," Shulman said. "This initiative offers them the chance to get certainty about how their case will be handled. Just as importantly, those who truly come in voluntarily can avoid criminal prosecution as well."

The IRS is handling processing of the voluntary disclosures in centralized units to more efficiently process the applications.

The IRS has launched a new section on www.irs.gov that includes the full terms and conditions on the 2011 Offshore Voluntary Disclosure Initiative, including an extensive set of questions and answers to

help taxpayers and tax professionals. The web site also includes details on how people can make a voluntary disclosure.

In the first voluntary disclosure program in 2009, taxpayers faced up to a 20 percent penalty covering up to a six-year period. Taxpayers came forward with about 15,000 voluntary disclosures in that effort covering banks in more than 60 countries.

Shulman said IRS efforts in the international arena will only increase as time goes on.

"Tax secrecy continues to erode," Shulman said. "We are not letting up on international tax issues, and more is in the works. For those hiding cash or assets offshore, the time to come in is now. The risk of being caught will only increase."

Find more at <http://www.irs.gov/newsroom/article/0,,id=235695,00.html?portlet=7> and <http://www.irs.gov/newsroom/article/0,,id=234900,00.html>.

Security Situation - Travel Warnings and Alerts

Security reminder: It is advisable that you and your family review your personal security profile and to be aware of your surroundings at all times.

Since our previous Newsletter, the U.S. Department of State has issued new Travel Warnings for the following countries:

<u>Libya</u>	02/21/2011
<u>Egypt</u>	02/18/2011
<u>Mali</u>	02/09/2011
<u>Pakistan</u>	02/02/2011
<u>Haiti</u>	01/20/2011

Travel Warnings are issued to describe long-term, protracted conditions that make a country dangerous or unstable. A Travel Warning is also issued when the U.S. Government's ability to assist American citizens is constrained due to the closure of an embassy or consulate or because of a drawdown of its staff. This information is available at

http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html.

The U.S. Department of State also has issued new Travel Alerts:

<u>Bahrain Travel Alert</u>	02/18/2011
<u>Tunisia</u>	02/18/2011
<u>ICC Cricket World Cup</u>	02/17/2011
<u>United Kingdom and Gibraltar (England, Wales, Scotland, Northern Ireland)</u>	01/31/2011
<u>Uganda</u>	01/24/2011

Travel Alerts are issued to disseminate information about short-term conditions generally within a particular country or region that pose imminent risks to the security of U.S. citizens. Natural disasters, terrorist attacks, coups, anniversaries of terrorist events, election-related demonstrations or violence, and high-profile events such as international conferences or regional sports events are examples of conditions that might generate a Travel

Alert. This information is available at http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html.

The most up-to-date information regarding permitted and prohibited items on flights can be viewed online at <http://www.tsa.gov/travelers/airtravel/prohibited/permitted-prohibited-items.shtm>.

For additional information, please visit "Americans Traveling Abroad" on the U.S. Department of State website: http://travel.state.gov/visa/americans/americans_1252.html. Students traveling abroad may wish to visit the State Department site designed for them: <http://studentsabroad.state.gov/>.

To obtain up-to-date information on security conditions, please call 1-888-407-4747 (toll free in the United States), or +1-202-501-4444 if you are outside the United States.

Jacksonville, Florida Military and Overseas Voters, Register and Request your ballot for the Upcoming Election

February 2, 2011 – On March 22, 2011, the City of Jacksonville will conduct its Municipal Unitary First Election. Voters will cast ballots to elect the following:

- Mayor
- Sheriff
- Property Appraiser
- Tax Collector
- City Council Districts: 1, 2, 3, 5, 6, 7, 11, 12, 13, and 14
- City Council At-Large Groups: 1, 2, 4, and 5

Register to Vote and Request Your Ballot Now!

To vote in this election you must register and request an absentee ballot. You will not get a ballot automatically even if you voted in the November 2, 2010 general election. Note: In Florida, no witness or notary is necessary for the FPCA application.

To check your registration status, visit: www.duval elections.com.

Tuesday, February 22, 2011 is the deadline to register to vote for this election. Go to FVAP.gov and get started! It only takes a few minutes. Alternately you may obtain an FPCA from your unit or installation voting assistance officer and at U.S. embassies and consulates worldwide, but you must follow the Florida instructions given at FVAP.gov when completing this form. Indicate on the FPCA how you would like to receive your absentee ballot: mail, email, or fax.

If you are already registered to vote, the deadline for submitting an FPCA request for a mailed ballot is 6 days before the election: Wednesday,

March 16, 2011. The deadline for submitting an FPCA request for a ballot to be emailed or faxed is the day before the election: Monday, March 21, 2011.

Florida allows the FPCA as a ballot request to be mailed, emailed or faxed.

If you choose to email your completed FPCA, you should send the form as a signed, scanned attachment directly to the Duval County Supervisor of Elections Office at maggiej@coj.net.

If you choose to mail your FPCA, mail the form directly to the Duval County Supervisor of Elections Office at the address below.

If you choose to fax your FPCA, please refer to the faxing instructions below.

Receiving Your Ballot

Requested ballots will be mailed, faxed and emailed on February 5, 2011 and as requested beyond this date.

Vote Your Ballot

The voted ballot must be received by 7:00 pm (EDT) on March 22, 2011 in order to be counted. To check the status of your absentee ballot visit www.duval elections.com.

If you are a stateside military voter, you must return your ballot by mail.

If you are overseas, and received your ballot by mail, you must return your ballot by mail.

If you are overseas and received your ballot by fax or email, you may return your ballot by fax or mail.

To mail your ballot, return the voted **ballot with the signed Voter's Certificate** by mail or by sending it via a licensed

motor carrier such as Federal Express, UPS or DSL to the address below.

Civilians residing outside the U.S.: Contact your closest U.S. Embassy or consulate for specific instructions on how voted ballots, with proper domestic postage attached, can be returned to the United States from any U.S. embassy or consulate. To locate your nearest U.S. embassy or consulate, visit <http://www.usembassy.gov/>.

To fax your ballot please follow instructions below.

Mailing Address:
Maggie Johnson, Elections Aide
Duval County Supervisor of Elections Office
105 E. Monroe St.
Jacksonville, FL 32202

Faxing Instructions: Fax the FPCA or voted ballot directly to the Duval County Supervisor of Elections Office at 904-301-3867. You may also use the DoD Electronic Transmission Service to fax your Ballot and/or FPCA toll-free. To use the Electronic Transmission Service, use the cover sheet available in the Voting Assistance Guide or at FVAP.gov, and fax to: 703-693-5527, DSN 223-5527, or toll-free from the U.S., Canada, Guam, Puerto Rico, and the Virgin Islands to 1-800-368-8683. International toll-free fax numbers can be found at FVAP.gov.

We Want Your Feedback! If this was helpful to you or if you ran into problems or have questions, please contact FVAP at 1-800-438-8683, DSN (312) 425-1584, or at vote@fvap.gov. With your feedback, we can make Voter Alerts even more useful in the future.

Diversity Visa Program Scammers Sending Fraudulent Emails and Letters

The Department of State, Office of Visa Services, advises the public of a notable increase in fraudulent emails and letters sent to Diversity Immigrant Visa (DV) program (Visa Lottery) applicants. The scammers behind these fraudulent emails and letters are posing as the U.S. government in an attempt to extract payment from DV applicants. All applicants should be familiar with information about DV scams provided by the Federal Trade Commission (<http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt003.shtm>). Applicants are encouraged to review the rules and procedures for the DV ([\[travel.state.gov/visa/immigrants/types/types_1322.html\]\(http://travel.state.gov/visa/immigrants/types/types_1322.html\)\) program so that you they what to expect, when to expect it, and from whom.](http://</p>
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Finally, remember that all DV-2012 applicants will not receive a notification letter from the U.S. government but must check their status online (<http://www.dvlottery.state.gov/>). D V Entry Status Check will only be provided through the Department of State secure online site, <http://www.dvlottery.state.gov>.

For more information or to view the FAQ about this issue, visit http://travel.state.gov/visa/immigrants/types/types_1749.html.

Both the U.S. Department of Justice's website and the FBI site have good resources to help dealing with other prevalent internet scams:

<http://www.justice.gov/spam.htm>

<http://www.fbi.gov/scams-safety/fraud>

The Internet Crime Complaint Center can be reached at <http://www.ic3.gov>.

Problems Accessing Selective Service System Website

If you experience problems accessing the Selective Service System website www.sss.gov, please send an email, call or write to the following:

Registration Information Office
Selective Service System
Data Management Center
P.O. Box 94638
Palatine, IL 60094-4638

Phone: 847-688-6888 or
toll-free: 1-888-655-1825
TTY: 847-688-2567

Email: DMCSupport@sss.gov

Please include the name of your Internet Service Provider (ISP) and state that you are writing/calling from China.



Leaving Shanghai Consular District?

If you are departing the Shanghai consular district after a long stay here and you formally joined the Smart Traveler Enrollment Program (STEP), please do not forget to end your enrollment when you leave.

You can end your enrollment by visiting the <https://travelregistration.state.gov> site if you previously enrolled through this site.

If you previously submitted a paper registration form to the U.S. consulate, you may unregister yourself by sending an email request to:

ShanghaiACS@state.gov.

The Federal Voting Assistance Program (FVAP) is Now Accepting Entries for Poster and Slogan Contest

January 21, 2011 – For the first time ever, the Federal Voting Assistance Program is opening its biennial voting poster and slogan contests to all U.S. citizens worldwide using Challenge.gov to facilitate the process.

The FVAP Slogan Contest challenge asks for slogan ideas that inspire members of the military, their families and U.S. Citizens residing overseas to start or continue to participate in elections while away from home and can be found at FVAP.gov or <http://challenge.gov/DoD/115-absentee-voting-slogan-contest>.

The FVAP Poster Contest seeks artwork illustrating what it means to be an American voter anywhere in the world. The FVAP Poster Contest details are located at FVAP.gov or <http://challenge.gov/DoD/116-absentee-voting-poster-contest>.

The winner for each contest and a guest will receive a trip **to our nation's capital to participate in special events and tours**. Runners-up will not only feel the satisfaction of knowing that their slogan or artwork is helping to improve voter awareness and participation, but will also receive a

certificate of recognition from the Department for their contribution to this important endeavor.

There is no limit to the number of entries an individual may submit for either contest. All entries must be received by April 8, 2011. All submissions must include your full name, branch of service (if military), mailing address, day-time telephone number, fax number and e-mail address (if applicable). Defense Human Resource Activity personnel and their immediate family members are not eligible to participate in these contests.

Challenge.gov is administered by the U.S. General Services Administration (GSA) in partnership with Challenge-Post. The site brings together the best talents and ideas of **the American public to make the government's efforts the very best they can be.**

We Want Your Feedback! If this was helpful to you or if you ran into problems or have questions, please contact FVAP at 1-800-438-8683, DSN (312) 425-1584, or at vote@fvap.gov. With your feedback, we can make Voter Alerts even more useful in the future.

Delay in Processing Consular Reports of Birth Abroad

If you've tried to make an appointment recently to apply for your newborn child's first passport, you may have noticed that there are very few appointments for Consular Reports of Birth Abroad (CRBA) in January and February this year. The reason for the backlog is a worldwide change in CRBA processing. No CRBAs can be issued during the changeover from the old CRBA system to the new CRBA system. U.S. embassies and consulates around the world have suspended CRBA processing since January 1st of this year, and expect to resume processing in late January. We apologize for the delay. If your newborn needs a passport for travel abroad, please contact us to make arrangements.

[Background: U.S. citizens born outside of the USA are normally issued two birth-related documents: a local birth certificate issued by the local public registry through the local hospital, and a Consular Report of Birth Abroad issued by a U.S. embassy or U.S. consu-

late. The Consular Report of Birth Abroad contains much of the same information as a birth certificate, but also states that the bearer was a U.S. citizen at birth. The Consular Report of Birth Abroad is a prerequisite for the first passport of a person who was a U.S. citizen from birth, but born outside the USA. The CRBA is only issued to people who were U.S. citizens at birth; it is not relevant for naturalized citizens.]

What's the difference between a 'natural-born citizen' and a 'naturalized citizen'? The term 'natural-born citizen' refers to U.S. citizens who were U.S. citizens at birth. Under U.S. citizenship laws, there are two ways to be a natural-born citizen: (a) if you were born in U.S. territory or (b) if one or both of your parents was a U.S. citizen at the time of your birth abroad. Contrast **this with 'naturalized citizens,' which refers to people who were not U.S. citizens at birth, but became U.S. citizens through the naturalization process.**

Shanghai Consulate News for Americans

U.S. Consulate General,
Shanghai, China

1038 West Nanjing Road, 8/F
Westgate Mall 梅龙镇广场

(Méi lóng zhèn guǎngchǎng)

Tel: (86-21) 3217-4650

Fax: (86-21) 6217-2071

After Hours Emergencies:

(86-21) 6433-3936

Open 8:00am - 11:30am

and 1:30pm - 3:30pm

Monday to Friday *Closed on
Tuesday afternoons, weekends,
and holidays.

<http://shanghai.usconsulate.gov>

Someone Asked the Consul:

Where can I find information on renewing Chinese visas in English?

For those of you that like sorting out your visa problems yourself, ie., without the help of a visa agency, here's a website:

http://gaj.sh.gov.cn/shga/gweb/wsbs/enterprise_index.jsp?param=2 that you should probably bookmark.

It's the new English-language website launched by the Shanghai Exit-Entry Administration Bureau for foreigners needing to extend their visas. On this website you'll be able to download application forms, make online applications, check the status of your application and make online enquiries. Now all you'll need to do is show up at the bureau at the appointed time to get your visa or permit!

Upcoming IRS Tax Workshops, March 2-3

As previously announced, there is a good news for those of us who are starting to get nervous about tax season: Two IRS Tax Attaches are coming to Shanghai to host two tax workshops. The workshops will take place from 3:00pm to 5:00pm on Tuesday, March 2, and from 9:00am to 11:00am on Wednesday, March 3.

Space is limited, so if you would like to attend a work-

shop, please contact the American Citizen Services Unit (shanghaiacs@state.gov) by Friday, February 28, 2011 with your request. Further details will be provided upon registration confirmation.

Please note that the workshops are designed to help individuals with questions on preparing and filing tax returns, or other payment issues. They are not intended or designed for professional income tax practitioners.

Thank you,

American Citizen Services
US Consulate General in
Shanghai, China

